



FEDERAL ELECTION COMMISSION

Washington, DC 20463

Marc E. Elias
700 13th St., NW
Suite 600
Washington, DC 20005

NOV 29 2016

RE: MUR 7061

Dear Mr. Elias:

On May 13, 2016, the Federal Election Commission notified your clients, Hillary for America and Jose H. Villarreal in his official capacity as treasurer, of a complaint alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). On November 17, 2016, the Commission found, on the basis of the information in the complaint and information provided by you, that there is no reason to believe that your clients violated the Act or Commission regulations. Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). The Factual and Legal Analysis, which explains the Commission's finding, is enclosed for your information.

If you have any questions, please contact Christopher L. Edwards, the attorney assigned to this matter, at (202) 694-1568.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Allen".

Mark Allen
Assistant General Counsel

Enclosure:
Factual and Legal Analysis

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FACTUAL AND LEGAL ANALYSIS

I. INTRODUCTION

II. FACTUAL AND LEGAL ANALYSIS

ATTACHMENT
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- 2) The next \$33,400/\$15,000 of each donation from an individual/PAC is allocated to the DNC;⁴
- 3) Additional amounts are divided equally among the participating Democratic state party committees, with a maximum contribution of \$10,000/\$5,000 per state party.⁵

The Complaint alleges that the fundraiser accepted \$353,000 from individuals in excess of the contribution limits at 11 C.F.R. § 110.3(a) because the state party participants were affiliated and subject to a single \$10,000 contribution limit.⁶ Respondents maintain that the participating state party committees are not affiliated and do not share a single \$10,000 contribution limit.⁷ The Commission agrees.

The Act imposes a \$10,000 limit on a person's contributions to a state party committee in any calendar year: "[n]o person shall make contributions . . . to a *political committee* established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed \$10,000."⁸ This language indicates that the \$10,000 limit applies to contributions made to each state party committee; it does not apply the \$10,000 limit, in the aggregate, to all of the state party committees of a political party. Further, the regulations that apply to joint fundraising committees do not restrict an individual's ability to contribute up to the limit to multiple participating state party committees.⁹

⁴ If a donation was made before the relevant primary election, then the second \$2,700/\$5,000 will be allocated to HFA's general election campaign fund, followed by the allocation set forth in parts 2 and 3. See <https://www.hillaryclinton.com/donate/go/> (last visited Nov. 1, 2016).

⁵ See <https://www.hillaryclinton.com/donate/go/> (last visited Nov. 1, 2016).

⁶ Compl. at 1.

⁷ See Resp. at 1.

⁸ 52 U.S.C. § 30116(a)(1)(D) (emphasis added); see also 11 C.F.R. § 110.1(c)(5).

⁹ See 11 C.F.R. § 102.17(c)(5) ("Except to the extent that the contributor has previously contributed to any of the participants, a contributor may make a contribution to the joint fundraising effort which contribution represents the total amount that the contributor could contribute to all of the participants under the applicable limits of 11 CFR 110.1 and 110.2."). See also Advisory Op. 2004-12 (Democrats for the West) (advising that contributors could

1 The Complainant relies on 11 C.F.R. § 110.3(a) and (b), which govern the contribution
2 limits for affiliated committees and political party committees, respectively, but that position is
3 not supported by those provisions.¹⁰ While subpart (a) applies to most committees and
4 membership organizations, it explicitly excludes political party committees.¹¹ Subpart (b)
5 affiliates state party committees with their subordinate committees and clarifies that national and
6 state committees are not affiliated.¹² Neither subpart (b) nor any other provision of the
7 Commission's regulations affiliates state party committees from different states.

8 Thus, the Complainant's allegations are not supported by the applicable law. The
9 Commission therefore finds no reason to believe that the Respondents violated the Act or
10 Commission regulations as a result of the activities described in the Complaint.

contribute up to \$10,000 to "one or more" of nine state party committees that were each affiliated with a common committee).

¹⁰ Compl. at 1.

¹¹ See 11 C.F.R. § 110.3(a)(2)(iv).

¹² See 11 C.F.R. § 110.3(b).